



Bangladesh Bank
Head Office
Motijheel, Dhaka-1000
Bangladesh
www.bb.org.bd

Debt Management Department

DMD Circular No. -01

Date: 22 January 2014

Chief Executive

All scheduled bank companies and financial institutions working in Bangladesh

Dear Sir,

Investment in government securities by individuals

Individuals have recently shown keen interest for investment in government securities (Treasury Bills and Bangladesh Government Treasury Bonds). But it has been informed that individuals do not get adequate information and necessary cooperation from their banks though there are specific instructions in paragraph 2(i) and 2(ii) under the heading of "[Issuance of Bangladesh Government Treasury Bonds](#)" in Government of Bangladesh's gazette notification dated 24 June 2007 and subsequent [amendments](#) thereto:

2(i) Individuals and institutions resident in Bangladesh such as banks, non bank financial institutions, insurance companies, bodies corporate, authorities responsible for the management of provident funds, pension funds etc shall be eligible to purchase the Bangladesh Government Treasury Bonds (BGTBs).

2(ii) Individuals and Institutions not resident in Bangladesh shall also be eligible to purchase the BGTBs, with coupon payments and resale/redemption proceeds transferable abroad in foreign exchange, provided that:

- (a) The purchase is made with funds from a non-resident foreign currency account with a bank in Bangladesh in the name of purchaser;
- (b) The BGTB purchased by a non-resident may freely be resold to a resident in Bangladesh or to another non-resident. Resale to a non resident shall be subject to the provision of paragraph 2(ii)(a).

02. Scheduled banks and financial institutions maintaining accounts with Motijheel Office of Bangladesh Bank may open Business Partner ID(BP ID) in favour of their individual/institutional customers in Market Infrastructure (MI) Module of Bangladesh Bank to participate in auctions of Treasury Bills and BGTBs. Individuals may also buy or sell government securities in secondary market over the counter/Trader Work Station (TWS) of MI module. Some of the Primary Dealer banks are using this system quite efficiently. Accordingly, other banks and financial institutions are also advised to be active in facilitating their individual customers for buying/selling of government securities and provide required information and necessary cooperation promptly.

Please acknowledge receipt.

Yours faithfully,
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